



The Grob
Tea Company
Limited

2013-14

**REPORT &
ACCOUNTS**

Registered 7th January, 1895

CORPORATE INFORMATION

Board of Directors:

P.K.Agarwal, Director
 M.K.Agarwal, Director
 H.Parekh, Director
 P. J. Bhide, Director
 I.B.Sharaf, Executive Director

Auditors:

G.P.Agrawal & Co.
 Chartered Accountants
 Kolkata

Bankers:

United Bank of India
 State Bank of India
 HDFC Bank

Registered Office:

"HAUTE STREET" 9th Floor
 86A, Topsia Road,
 Kolkata - 700 046
 Phone: 033-40031325/26
 Fax : 033-40040892
 E-Mail : grobtea@rawalwasia.co.in
 CIN : L15494WB1895PLC000963

Tea Estates:

Dessoie Tea Estate
 P.O. Mariani, Assam

Doyang Tea Estate

P.O. Oating, Assam

Kanu Tea Estate

P.O. Sapekhati, Assam

Teen Ali Tea Estate

P.O. Naharkatia, Assam

Pathemara Tea Estate

P.O. Thaligram, Assam

Stock Exchange:

The Calcutta Stock Exchange Ltd.
 7, Lyons Range,
 Kolkata - 700 001

Registrar & Share Transfer Agents

Niche Technologies Pvt. Ltd.
 D-511, Bagree Market, 5th Floor
 71, Canning Street, Kolkata - 700 001
 Phone No. 033 22357270/7271
 Fax No. 033 22156823
 e-Mail : nichetechpl@nichetechpl.com
 CIN : U74140WB1994PTC062636

Contents :

	Page
Directors' Report	2
Secretarial Compliance Certificate	6
Auditors' Report	10
Balance Sheet	14
Profit and Loss Account	15
Cash Flow Statement	16
Notes to Account	17

DIRECTORS REPORT TO THE MEMBERS

Your Directors have pleasure in presenting the annual report together with Audited Accounts of the Company for the year ended 31st March 2014.

FINANCIAL RESULTS	2013-14 (₹ in Lacs)	2012-13 (₹ in Lacs)
Profit before Depreciation & Tax	₹ 698.70	₹ 770.34
Less: Depreciation	₹ 244.10	₹ 173.38
Profit before Taxation	₹ 454.60	₹ 596.96
Add : Exceptional Item	—	₹ 365.31
Profit before taxation	₹ 454.60	₹ 962.27
Provision for Taxation:		
– Current Tax	₹ 85.00	₹ 135.00
– Tax for earlier years	—	₹ (20.87)
- Deferred Tax	₹ (12.50)	₹ (2.14)
Profit after Tax	₹ 382.10	₹ 850.28
Add: Profit brought forward	₹ 1558.29	₹ 935.03
Balance available for appropriation	₹ 1940.39	₹ 1785.31
Proposed Dividend	₹ 23.25	₹ 23.25
Tax on proposed Dividend	₹ 3.95	₹ 3.77
Transferred to General Reserve	₹ 200.00	₹ 200.00
Balance carried forward	₹ 1713.19	₹ 1558.29

DIVIDEND

The Directors have recommended a dividend of @ 20% (Previous Year- 20%) for the year ended 31.03.2014, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.

PERFORMANCE

Total saleable crop for the year was 37.21 lacs kgs as compared to 36.77 lacs kgs in the previous year. The dry weather conditions in early part of the season have affected the crop.

Average price realization for the company's tea for the year was ₹ 160.75 per kg which was higher as compared to ₹ 158.52 in previous year. The steep rise in employees cost due to wage and salary revision as per industry wise Agreement, upward cost of inputs specially Coal, Power, Fertilizers & Chemicals etc has affected the profit of the Company.

PROSPECTS

The prospect of the crop for the year 2014-15 is not encouraging, due to erratic weather condition so far.

DIRECTORS

Mr. M. K. Agarwal retires by rotation and being eligible has offered himself for re-appointment.

Mr. Harish Parekh, Director of the Company was designated as an Independent Director with effect from May 30, 2014, subject to the approval of members at the ensuing Annual General meeting of the Company.

Pursuant to the provisions of Section 161(1) of the Cos. Act, 2013 and the Articles of Association of the Company, Shri P J Bhide was appointed as an Additional Director designated as an Independent Director w.e.f. 30-05-2014 and he shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Shri P J Bhide for appointment as an Independent Director.

DIRECTORS' REPORT TO THE MEMBERS (Contd)**COST AUDIT**

Pursuant to the directives of the Central Government under provisions of section 233B of Companies Act, 1956, a cost Auditor has been re-appointed to audit Cost Accounts of your Company for the year ended 31st March 2014.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956. The Directors confirm that :

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate accounting policies have been selected and applied consistently and judgements and estimated have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at the year end and of the result of the Company for the year ended.
3. Proper and sufficient care has been taken for maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

COMPANIES (DISCLOSURE OF PARTICULARS) IN REPORT OF DIRECTORS RULES 1998.

In terms of the above, read with Section 217 (1)(e) of the Companies Act, 1956 the particulars as required therein are given in the Annexure which form a part of Directors Report.

PARTICULARS OF EMPLOYEES

The Company has no employee coming within the purview of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particular of employees) rules 1975 during the year.

AUDITORS

The Auditors Report is self explanatory and hence is not being separately dealt with here.

M/s. G.P. Agarwal & Co., Chartered Accountants, the Auditors of the company retire from the Office at the conclusion of this meeting and being eligible offer themselves for re-appointment.

COMPLIANCE CERTIFICATE

Pursuant to Section 383A of the Companies Act, 1956 a certificate from M/s. H.M. Choraria & Co., Company Secretaries in whole time practice, as to whether the Company has complied with all the provisions of the Companies Act, 1956 is attached.

ACKNOWLEDGEMENT

In conclusion, the Directors wish to place on record their appreciation of the devoted services rendered by all the employees of the Company.

REGISTERED OFFICE

"Haute Street" 9th Floor,
86A, Topsia Road,
Kolkata-700 046

Dated : 30th May 2014

CIN : L15494WB1895PLC000963

For & on behalf of the Board

M.K.Agarwal	Director
H.Parekh	Director
I.B.Sharaf	Executive Director

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M.K.Agarwal	Director
H.Parekh	Director
I.B.Sharaf	Executive Director

ANNEXURE TO THE DIRECTORS REPORT**ANNEXURE**

Particulars of Conservation of Energy and technology absorption in terms of Section 217(1)(e) of the Companies Act 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forming part of Directors Report for the year 31st March 2014.

FORM 'A'

Form for disclosure of particulars with respect to conservation of energy

		<u>Current year</u>	<u>Previous year</u>
A.	POWER & FUEL CONSUMPTION		
1)	Electricity		
a)	Purchased Unit (Kwh)	2488471	2474869
	Total Amount (₹)	19879985	18508814
	Rate/Unit (₹)	7.99	7.48
b)	Own Generation		
	Through Diesel Generation		
	Unit (Kwh)	780129	855388
	Unit per Ltr of Diesel Oil	3.09	2.66
	Cost/Unit (₹)	18.83	14.75
2	Coal		
	Qty (tones)	1629	1917
	Total Cost (₹)	9983850	11598523
	Average Rate (₹)	6129	6050
3	Furance Oil		
	Qty (K-Litres)	—	—
	Total Amount (₹)	—	—
	Average Rate (per Ltr)	—	—
4	Gas		
	Qty in CCU	859695	863506
	Total Cost (₹)	11236959	10338924
	Rate/Unit	13.07	11.97
B.	CONSUMPTION PER UNIT OF PRODUCTION		
	Production of Tea (Kgs)	3809030	3757827
	Electricity (Units)	0.65	0.66
	Furnace Oil (Ltr)	—	—
	Coal (Kgs)	1.06	1.18
	Other – Gas (Scm)	0.38	0.41

ANNEXURE TO THE DIRECTOR'S REPORT
FORM 'B'

ANNEXURE (Contd)

Research and Development (R & D)

- 1 Specific area in which R&D carried out by the Co.
- 2 Benefits as result of above R&D
- 3 Future plan of action
- 4 Expenditure of R&D

The Company is a members of the Tea Research Association and contributed ₹ 5.98 lacs as subs-cription during the year. The thrust of the Company remains on productivity and quality improvement by efficient Operations.

TECHNOLOGY ABSORPTION ADAPTION AND INNOVATION

1. Efforts in brief made towards technology absorption, adaptation and innovation. We are continuously upgrading technology in manufacturing process.
2. Benefits derived as a result of the above efforts e.g. quality improvement resulting cost reduction product development, import substitution etc. – increase in the quality of tea produced resulting higher realization.
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the Financial Year) following information may be furnished :
 - a) Technology imported —
 - b) Year of import —
 - c) Has Technology been fully absorbed —
 - d) If not absorbed area where this has not taken place, reasons therefore and future plan of actions

No technology was imported during the last 5 year.

Foreign Exchange Earnings and Outgo

- a) Foreign Exchange Earning ₹ Nil
- b) Foreign Exchange outgo ₹ 6,13,566

REGISTERED OFFICE
"Haute Street" 9th Floor,
86A, Topsia Road,
Kolkata-700 046
Dated : 30th May 2014

For & on behalf of the Board
M.K.Agarwal Director
H.Parekh Director
I.B.Sharaf Executive Director

COMPLIANCE CERTIFICATE

H. M. CHORARIA & CO.

Practising Company Secretaries,
14/2 OLD CHINA BAZAR STREET
4th Floor R.No. 401
KOLKATA -700 001
Phone : (033) 22420196/22432509

Registration No. of the Company; L15494WB1895PLC000963

Nominal Capital: Rs.3,00,00,000/-

To The Members

**The Grob Tea Company Limited,
86A, Topsia Road,
9th Floor, Kolkata-700 046**

We have examined the Registers, records, books and papers of M/s The Grob Tea Company. Ltd, (the Company) as required to be maintained under the Companies act 1956, and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial period ended on 31st March 2014. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all register as stated in Annexure" A" to this Certificate , as per the provisions of the Act and the Rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this Certificate, with the Registrar of Companies, Regional Director, Central government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company, being a Public limited Company has more than the minimum prescribed paid- Up Capital of Rs. 5 lacs.
4. The Board of Directors duly met four times respectively on 28th May'2013, 12th August' 2013, 11th November 2013 and 10th February 2014 in respect of which meetings proper notice were given and the proceedings were properly recorded and signed including the circular resolutions if any passed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members, from 22nd July, 2013 to 1st August, 2013 and necessary compliance of section 154 of the act has been made
6. The Annual General Meeting for the financial year ended on 31st March'2013 was held on 1st August' 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra ordinary General Meeting was held during the financial year

8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to under section 295 of the Act.
9. The Company has entered into any contracts falling within the purview of Section 297 of the Act. However the compliance under section 297 could not be verified.
10. The Company has made necessary entries in the Register maintained under section 301 of the Act.
11. As there were no instances falling within the preview of Section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government.
12. The Board of directors or duly constituted Committee of Directors has approved the issue of duplicate share certificates.
13. The Company:
 - 13.1 has Delivered all the certificates on allotment of securities and on lodgment thereof for Transfer / transmission or any other purpose in accordance with the provisions of the Act.
 - 13.2. has Deposited the amount of dividend declared on 01.08.2013 in a separate Bank Account by way of a written instruction to the Bank dated 06.08.2013,
 - 13.3 has Paid/posted warrants on 21.08.2013 for payment of dividend to all the members within a period of 30 (Thirty) days from the date of declaration
 - 13.4 has no amount, lying in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years as on 31.03.2014 to be transferred to "Investors Education and Protection Fund"
 - 13.5 has Duly complied with the requirements of section 217 of the Act.
14. The Board of directors of the Company is duly constituted. and appointment of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.
15. The Company has appointed Executive Director, during the financial year in compliance with the provisions of the Act.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company has obtained all necessary approval of the Central Government, Company Law Board, Regional Director, Registrar and /or such authorities prescribed Under the various provision of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the Financial year.

20. The Company has not bought back any shares during the financial year.
21. There was no redemption of Preference shares or Debentures during the financial year.
22. There were no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company from directors, members, public, financial institutions, bank and others during the financial year ending 31st March,2014 is/are within the borrowing limits of the Company
25. The Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny
29. The Company has not altered the provisions of the Memorandum with respect to Share capital of the Company during the year under scrutiny,
30. The Company has not altered its Articles of Association during the financial year.
31. As informed to us by the management, there was no prosecution against or any show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company had deducted contribution towards Provident Fund during the financial year and are generally regular in depositing the same

Place : KOLKATA
Dated : 30th May, 2014

For **H.M. CHORARIA & CO**
Practising Company Secretaries
(H.M.CHORARIA)
Proprietor
C.P. No. : 1499